

THYSSEN INC. EXCLUSION REQUEST

ATTACHMENT 3 CARBON AND ALLOY FLAT ROLLED, HOT ROLLED STEEL COILS

- (a) The designation of the product under a recognized standard or certification (e.g., ASTM, DIN), or the commercial name for the product and the HTS number under which the product enters the United States.

The merchandise subject to this request is known as SAE-1050, from Compact Strip Production (CSP), hot-rolled steel coils from CSP, as per the chemistry below, with an inclusion rating of 1.0 maximum per ASTM-E 45 method A, with excellent surface quality, internal cleanliness and superior shape and crown. This product is suitable for demanding applications like automotive timing chains/links which require “thin slab cast & rolled” hot rolled steel as the substrate for domestic cold rolled strip producers and applications.

The applicable HTS provisions are: 7208.39.0015 and 7208.39.0030.

- (b) A description of the product based on physical characteristics (e.g. chemical composition, metallurgical properties, dimensions, surface quality) so as to distinguish the products from products for which exclusion is not sought;

The product described above has the following properties:

C	.51-.55%, AIM .54%
Mn	.75 - .90%, AIM .78-.88%
P	.012 max.
S	.003 max.
Si	.15 - .30%
Al	.02 - .07%
Cr	.10% max.
Ni	.06% max.
Cu	.20% max.

.20% maximum residuals including Cr of .10% max.

- (c) The basis for requesting an exclusion;

Domestic production is limited or non-existent.

- (d) The names and locations of any producers, in the United States and foreign countries of the product;

There is no other known producer. ACME Steel in Chicago is only US mill known to have produced this grade in this method, and it is believed to have ceased operations in October 2001.

- (e) Total U.S. Consumption of the product, if any, by quantity and value for each year from 1996 to 2000, and the projected annual consumption for each year from 2001 to 2005, with a basis for the projection;

Estimated at 20,000 – 25,000 short tons utilized through domestic cold rolled strip conversion to this hot-rolled product.

- (f) Total US production of the product for each year from 1996 to 2000, if any;

Minimal or none, see above.

- (g) The identity of any US produced substitute for the product, total US production of the substitute for each year from 1996 to 2000, and the names of any US producers of the substitute;

The only substitute is “conventional continuous cast hot rolled” steel coils which lack the internal integrity (segregation) of material produced by the CSP process, which in turn leads to higher rejection rates/failures.

CONCLUSION

We understand that the purpose of the USTR investigation is to determine appropriate remedies for the importation of certain steel products, which are produced by the domestic industry. We believe that US production of this product is insufficient to meet market demand. Accordingly, we respectfully request that carbon and alloy flat rolled, hot-rolled steel coils be excluded from any import restrictions, and that the language of any remedy order for HTS subheadings 7208.39.0015 and 7208.39.0030 clearly exclude this product.